

SHELBY COUNTY HOMESTEAD PROGRAM 2007

The Shelby County Homestead Program was designed to promote housing development on vacant lots owned by Shelby County Government. This program utilizes tax-foreclosed properties to stimulate neighborhood revitalization and increase the affordable housing stock in Shelby County. For a small application fee and a refundable deposit, agencies and individuals can obtain a vacant lot if they agree to build a home on the property within 12 months of the property being transferred to them for development. The home may be either for sale or rent. Upon completion of the terms of the Homestead Agreement, the applicant's original deposit is refunded.

The "Tennessee Homestead Act" was enacted in 1985 (T.C.A. Title 7, Chapter 66). The Shelby County Commission authorized implementation of the Homestead Program also in 1985. The latest revisions to the program occurred when a design review process was added in 2003 and in 2004, upon recommendation by members of the County Commission, the non-refundable, \$50 application fee was required up-front rather than after the Homestead documents have been fully executed.

HOMESTEAD PROGRAM DESIGN REVIEW

The Shelby County Department of Housing has implemented a "**design review process**" into the **Shelby County Homestead Program**. This process was established to insure that properties provided for housing development under the Homestead Program maintain the integrity of the neighborhood and blend in with existing housing units in the community.

Housing Department staff understand that development of affordable housing is governed by many factors, among them construction costs, area comparables for sale, the availability of financing, and size/position of the lot. Additionally, the Department realizes that inner-city housing designs can vary greatly block-by-block. Any of these factors can make or break an affordable housing project.

It is not the Department's intent to create hardships on those developers utilizing the Homestead Program. Therefore, while a suitable façade and maintenance of neighborhood integrity are paramount, the Department will allow for zoning and codes requirements to govern the general size and minimum housing standards. **However, developers should be aware that on average, a unit should at a minimum be no less than 80% of the square footage of surrounding homes, and no smaller than 1,000 square feet. Additionally, the unit should be a minimum of 3 bedrooms and 2 baths.**

Potential applicant/developer completes application form and submits them to the Homestead Office in the Housing Department at 1075 Mullins Road, Memphis, TN 38134. Applications are considered on a first-come, first-served basis. Homestead Coordinator is available to provide technical assistance in filling out applications.

The following information should be provided to the Department of Housing along with the standard Shelby County Homestead Application/Application Fee and Zoning Letter.

1. A **site plan** indicating the positioning of the proposed unit on the homestead property.
2. A **floor plan** indicating the total square footage of the unit and the size of each room.
3. A **facade rendering** (or photo if the plan has been used in the past) indicating a view of the completed unit from the street and each side.
4. A **photograph of the vacant lot**, the housing unit(s) immediately adjacent to the lot where the new unit will be built.
5. If the developer anticipates a problem during the review of his/her design, he/she should also submit a **brief narrative** of why construction of the unit should be allowed as submitted utilizing property from the Shelby County Homestead Program. (No more than one single-spaced typewritten page).

The Department of Housing will review each proposed unit for approval prior to the submission of a Homestead Resolution being presented to the Shelby County Mayor and Board of Commissioners for approval. Should any questions arise concerning the design of the proposed unit, the developer will be asked to meet the members of the Department of Housing to discuss any concerns or resolve any issues.

HOMESTEAD PROGRAM INFORMATION SHEET

The Shelby County Homestead Program evolved from a Tennessee State Law, which was passed in 1985. The program was designed for housing development. County tax lien parcels are transferred to approve applicant who must build houses within 12 months. ***(SHELBY COUNTY EMPLOYEES MAY NOT APPLY).***

Homestead packets are distributed in the Shelby County Department of Housing at 1075 Mullins Station Rd., Memphis, and TN 38134. The packet includes the list of available parcels that the applicant must use to identify the lot of their choice.

OUTLINE OF APPLICATION PROCESS

1. Applicant fills out application for their project. an Application Fee of \$50.00 is required.
2. Necessary documents are submitted to the Design Review Committee.
3. Applicant is notified in writing of the Design Review Recommendation.
4. When all information has been received, the transfer resolution is prepared for County Commission approval.
5. After resolution approval, the Quit Claim Deed and Homestead Agreement are prepared and signed. The applicant must submit Homestead Deposit amount, which represents the back taxes, owed on the property and the recording fee.
6. Homestead staff registers the Deed and Agreement with the County Register.
7. When all requirements on the Homestead Agreement have been met a Release Deed is signed and registered.
8. Upon completion of the project as evidenced by the Final Building Ticket, the deposit is returned to the applicant.

HOMESTEAD PROGRAM APPLICATION

Applicant: _____ Telephone Number: _____

Address: _____

Federal Tax ID #: _____ or Social Security #: _____

DESCRIPTION OF PROPERTY:

Tax Sale #: _____ Deposit: _____ W- _____ B- _____ P- _____

Location: _____ Lot Size: _____

PROJECT PLAN

Description of structure to be built (single or multi-family).

Type of structure: brick, siding, frame, etc.

Approximate _____ sq. ft. # of rooms _____, Bedrooms _____, Baths _____

Will unit be Owner Occupied () Rental () For Sale ()?

Value of Unit: \$ _____ Approximate monthly rent: \$ _____

Do you have financing arranged? Yes () No ()

What is the estimated time frame for development? _____

Please list Lenders, Realtors, Contractors, etc., in the development of the property: _____

APPLICATION CERTIFICATION:

I am aware that upon signing the Quit Claim Deed and Homestead Agreement, I must submit a fee equal to the amount necessary to record these documents and the Homestead Deposit for the property. If all the conditions stated in the Homestead Agreement are met and the building is completed, the deposit shall be refunded to the applicant.

The information I have provided in the application is complete and accurate to the best of my knowledge.

Applicant